

No. 6/ 22 /DLN

Jakarta, May 10, 2004

CIRCULAR LETTER

Subject: Requirement and Procedures For Carrying Rupiah Currency Out of or Into the Customs Territory of The Republic of Indonesia

In connection with the stipulation of Bank Indonesia Regulation No. 4/8/PBI/2002 Concerning Requirements and Procedures For Carrying Rupiah Currency Out of and Into the Customs Territory of The Republic of Indonesia (State Gazette of the Republic of Indonesia Year 2002 Number 104, Supplement to State Gazette Number 4231), it is considered necessary to regulate technical provisions on the requirements and procedures for carrying Rupiah currency out of or into the Customs Territory of The Republic of Indonesias as follows:

I. GENERAL PROVISIONS:

1. Any person is any individual person or corporate person.
2. Corporation is a group of organized people and/or assets, either as a legal body or or non legal body.
3. Business Day is the 5 (five) Business Days starting from Monday to Friday, except national holidays and special holidays as determined by the government.
4. Customs Territory of The Republic of Indonesia is the customs territory as referred to in Act Number 10 of 1995 Regarding Customs and Excise.

5. Bank Indonesia Authorization is a written authorization from Bank Indonesia to carry a certain amount of Rupiah currency out of the Customs Territory of The Republic of Indonesia.
6. Carrying Rupiah currency Out of or Into the Customs Territory of The Republic of Indonesia is taking out or bringing in Rupiah currency by oneself or through other parties with or without using a means of transportation.
7. Rupiah currency is banknotes and coins which are the legal tender in the territory of the Republic of Indonesia.

II. PROCEDURES FOR APPLYING AND GRANTING AUTHORIZATION TO CARRY RUPIAH CURRENCY OUT OF OR INTO THE CUSTOMS TERRITORY OF THE REPUBLIC OF INDONESIA:

Procedures for granting authorization to carry Rupiah currency out of the Customs Territory of The Republic of Indonesia are regulated as follows:

1. Any person carrying Rupiah currency in the amount of up to Rp.100,000,000 (one hundred million Rupiahs) or more out of the Customs Territory of The Republic of Indonesia must obtain a prior authorization from Bank Indonesia.
2. Bank Indonesia Authorization can only be granted for the following purposes:
 - a. Testing of money machines;
Money machines shall mean ATM machines, sorting machines, calculating machines and other machines with money related purposes.
 - b. Overseas Exhibition Activities;

Overseas exhibition activities shall mean any money exhibitions or general or trade exhibitions which involve money exhibition activities abroad.

- c. Other purposes which according to Bank Indonesia's consideration need to be authorizationd on the basis of public interests;

Public interests shall mean the interests of the nation and state and/or the public at large, such as carrying Rupiah currency out of the Customs Territory of The Republic of Indonesia for testing the authenticity of Rupiah currency since the means to test the authenticity of the money are not yet available domestically.

3. Procedures for applying and granting authorization of Bank Indonesia:
 - a. Authorization Applications for the purpose of testing of money machines and overseas exhibition activities as referred to in points II.2.a and II.2.b shall be submitted in writing to::
 - i. the Directorate of Foreign Affairs–Bank Indonesia Head Office, for applicants domiciled in Jakarta, Bogor, Tangerang, Bekasi (JABOTABEK) area;
 - ii. the nearest Bank Indonesia office for applicants domiciled out of Jakarta, Bogor, Tangerang, Bekasi (JABOTABEK) area.
 - b. Authorization Applications for other purposes which according to Bank Indonesia's consideration need to be authorized on the basis of public interests as referred to in point II.2.c shall be submitted in writing to the Directorate of Foreign Affairs – Bank Indonesia Head Office, for applicants domiciled in Jabotabek and out of Jabotabek.
 - c. The applications as referred to in letter a and b shall be submitted by the following procedures:
 - i. submitted by no later than 15 (fifteen) Business Days before the applicant's date of departure, starting from the date of receipt of

the application by Bank Indonesia as shown by a date of receipt stamp by Bank Indonesia. For applications sent through facsimile, the Bank Indonesia Authorization shall be issued after the original document has been received by Bank Indonesia.

- ii. applications must be submitted by owners of the Rupiah currency and must be accompanied by a personal identity for individual applicants and name and address of corporation for corporate applicants, amount of Rupiah currency to be carried, purpose, port of departure and date of departure as shown in the example provided in Attachment 1.
- iii. In case of Rupiah currency being carried out of the Customs Territory of The Republic of Indonesia by other parties with or without using a means of transportation, applications shall be submitted by the owner of the Rupiah currency by stating the name and/or identity of the carrier and/or the means of transportation as referred to in example in Attachment 2.

4. Documents Requirement:

- a. For applicants submitting an application for Bank Indonesia Authorization for testing of money machines as referred to in point II.2.a, the application must be accompanied by:
 - i. a sales contract ; and/or
 - ii. a letter of partnership appointment from buyer and/or a letter from the principal or the machine producer.
- b. For applicants submitting an application for authorization for overseas exhibition as referred to in point II.2.b, the application must be accompanied by:
 - i. an offer letter from the exhibition organizer; and/or

- ii. a letter of appointment of participation from the institution or department concerned, accompanied by the applicant's statement with regard to his/her participation in the exhibition.
 - c. For applicants applying for a authorization for other purposes which according to Bank Indonesia's consideration need to be authorized on the basis of public interests as referred to in point II.2.c, the application must be submitted by a relevant state institution or agency and signed by the highest ranking officer of such state institution or agency or by an official authorized by the principles of delegation of authority which prevails in the said institution or agency, and must be accompanied by a copy of decree on the delegation of authority or power of attorney from the highest ranking officer of the state agency or institution or a duly stamped statement from the authorized official with regard to the delegation of authority.
5. Approval or rejection by Bank Indonesia:
- a. Bank Indonesia approves or rejects application for authorization to carry Rupiah currency for the interests as referred to in point II.2 no later than 10 (ten) Business Days as of the date when the original application has been received completely and accurately by Bank Indonesia. If the application is delivered by a facsimile transmission, Bank Indonesia shall approve or reject the application after receiving the original application documents.
 - b. Bank Indonesia Authorization may only be issued for a single use of 1 (one) purpose with the following provisions:
 - i. Maximum validity period of 30 (thirty) Business Days commencing from date of issue;
 - ii. Authorization must be presented to customs and excise officers at port of departure;

- iii. The amount of the Rupiah currency carried must not exceed the maximum amount stated in the Authorization.

III. PROCEDURES FOR CARRYING RUPIAH CURRENCY INTO CUSTOMS TERRITORY OF THE REPUBLIC OF INDONESIA

Procedures for carrying Rupiah currency into Indonesia Customs territory are regulated as follows:

1. Any person carrying Rupiah currency in the amount of Rp.100,000,000 (one hundred million Rupiah) or more into the Customs Territory of The Republic of Indonesia must first ask the customs and excise officers at port of arrival to examine the authenticity of the Rupiah currency.
2. If the examination by the customs and excise officers doubts the authenticity of the Rupiah currency, the officers may in writing ask for a clarification by delivering the doubted Rupiah currency in its entirety to Bank Indonesia.
3. Bank Indonesia Head Office or Bank Indonesia Office shall clarify the authenticity of the Rupiah currency to the customs and excise officers no later than 14 (fourteen) Business Days commencing from the date of receipt of the clarification request from the customs and excise officers by using a letter as provided in Attachment 3, along with the money, except in certain cases needing further examination, the settlement of clarification of the Rupiah currency will be notified by Bank Indonesia.
4. If the result of the examination by Bank Indonesia shows that all of the Rupiah Currency is authentic, Bank Indonesia Head Office or the relevant Bank Indonesia Office shall return the Rupiah currency to the customs and excise officers submitting the request for clarification, followed by the signing of minutes of delivery and acceptance of the Rupiah currency using the form provided in Attachment 4.

5. If the result of the examination by Bank Indonesia shows that some of the Rupiah currency requested for clarification are counterfeit money, Bank Indonesia Head Office or Bank Indonesia Office shall return the authentic Rupiah currency to the customs and excise officers submitting request for clarification, followed by the signing of minutes of delivery and acceptance of the Rupiah currency by using the form as referred to in example in Attachment 5. Subsequently, all money declared as counterfeit shall be processed by Bank Indonesia Head Office in accordance with prevailing regulations.
6. If the result of the examination by Bank Indonesia shows that all of the money submitted by customs and excise is counterfeit money, Bank Indonesia Head Office or Bank Indonesia Office shall notify the customs and excise officers and process the counterfeit money in accordance with prevailing regulations.

IV. PROCEDURES FOR SANCTION IMPOSITION

If an examination by the Directorate General of Customs and Excise in port of arrival or departure finds a violation on the provisions on Carrying Rupiah Currency Out of or Into the Customs Territory of The Republic of Indonesia, such violation will be liable to administrative sanctions pursuant to Article 6 of Bank Indonesia Regulation No. 4/8/PBI/2002 Concerning Requirements and Procedures For Carrying Rupiah currency Out of or Into The Customs Territory of The Republic of Indonesia as follows :

1. Any person violating the provisions on carrying Rupiah out of Customs Territory of The Republic of Indonesia will be liable to administrative sanctions of 10% (ten percent) of the amount of Rupiah currency carried, with a maximum limit on imposition of sanctions of Rp.300,000,000 (three hundred million Rupiahs);

2. Carrying Rupiah in the amount above that is stated in the Bank Indonesia Authorization shall be liable to administrative sanctions of 10% (ten percent) of the amount of Rupiah currency carried out of the Customs Territory of The Republic of Indonesia after being deducted by the amount permitted under the Bank Indonesia Authorization, with the maximum limit on imposition of sanctions of Rp.300,000,000 (three hundred million Rupiahs);
3. In the event that some or all of the money carried out of or into the Customs Territory of The Republic of Indonesia are counterfeit money, the calculation and payment of the administrative sanctions in the form of fine is based on the amount of the authentic Rupiah carried;
4. The remainder of the Rupiah currency after being deducted by the administrative sanctions shall be returned to the sanctioned party;
5. The returned Rupiah currency as referred to in point 4 may only be carried out of or into the Customs Territory of The Republic of Indonesia after fulfilling the provisions mentioned in Articles 2 and 3 of Bank Indonesia Regulation No. 4/8/PBI/2002 dated October 10, 2002 Concerning Requirements and Procedures For Carrying Rupiah currency Out of or Into the Customs Territory of The Republic of Indonesia;
6. The Calculation of administrative sanctions as referred to in points 1, 2 and 3 shall be conducted by referring to the examples provided in Attachment 6;
7. Carrying Rupiah Currency in less than the permitted amount shall not be subject to administrative sanctions. The imposition of administrative sanctions as referred to in points 1 to 3 shall be conducted by customs and excise officers.

VI.ADDRESSES FOR SUBMITTING INFORMATION AND APPLICATION

Applications for Bank Indonesia Authorization and information related to the procedures for carrying Rupiah currency shall be submitted to:

1. The Directorate of Foreign Affairs, Bank Indonesia Head Office, Jl. M.H. Thamrin Nomor 2, Building B –6th Floor, Jakarta 10010, Ph.021-2310195 (Hunting), Fax 021-2311529
2. Local Bank Indonesia Offices.

VI.CLOSING

The provisions of this Circular Letter shall be effective as May 10, 2004.

For the public to be informed, this Circular Letter shall be published in the State Gazette of the Republic of Indonesia.

Kindly be informed.

BANK INDONESIA,

Signed.

KUSUMANINGTUTI S.S.
DIRECTOR OF
INTERNATIONAL AFFAIRS